

**Introduced by Senator Mendoza**

February 19, 2016

---

An act to add Section 17053 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

**LEGISLATIVE COUNSEL'S DIGEST**

SB 1381, as introduced, Mendoza. Personal income taxes: credit: teachers.

The Personal Income Tax Law allows various credits against the taxes imposed by that law.

This bill would, for taxable years beginning on or after January 1, 2017, allow a credit under the Personal Income Tax Law in an amount equal to \$5,000 to a qualified taxpayer, as defined to include specified full-time teachers. This bill would state the intent of the Legislature to enact legislation to provide that the credit amount in excess of tax liability would be refundable in those years in which an appropriation for that purpose is made by the Legislature and includes findings relating to that appropriation.

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 17053 is added to the Revenue and
- 2 Taxation Code, to read:
- 3 17053. (a) For each taxable year beginning on or after January
- 4 1, 2017, there shall be allowed to a qualified taxpayer a credit

1 against the “net tax,” as defined in Section 17039, in an amount  
2 equal to five thousand dollars (\$5,000).

3 (b) For the purposes of this section:

4 (1) “Full time” means a minimum of 35 hours per week worked.

5 (2) “Qualified taxpayer” means a full-time teacher credentialed  
6 pursuant to Sections 80021 to 80025, inclusive, of Chapter 1 of  
7 Division 8 of Title 5 of the California Code of Regulations, if he  
8 or she serves as the teacher of record for a classroom for at least  
9 one school day during the taxable year in which the credit is  
10 claimed. “Qualified taxpayer” shall not include a teacher who  
11 solely possesses a 30-day substitute teaching permit, as defined in  
12 Section 80025 of Chapter 1 of Division 8 of Title 5 of the  
13 California Code of Regulations.

14 (c) (1) Subject to paragraph (2), in the case where the credit  
15 allowed by this section exceeds the “net tax” the excess may be  
16 carried over to reduce the “net tax,” in the following year, and  
17 succeeding years if necessary, until the credit is exhausted.

18 (2) It is the intent of the Legislature to enact legislation to  
19 provide that in the case where the credit allowed by this section  
20 exceeds the “net tax,” the excess, in lieu of the carry forward  
21 pursuant to paragraph (1), may be refunded to taxpayers, upon  
22 appropriation by the Legislature.

23 (d) Section 41 does not apply to the tax credit allowed by this  
24 section.

25 SEC. 2. The Legislature finds and declares that it is the intent  
26 of the Legislature that, pursuant to legislation to be enacted by the  
27 Legislature, the state would treat an appropriation that would be  
28 made as described in paragraph (2) of subdivision (c) of Section  
29 17053 of the Revenue and Taxation Code as a tax expenditure  
30 program that would have no impact on school funding, state  
31 reserves, or debt-related payments. To this end, any appropriation  
32 for the refundable portion of the tax credit that would be allowed  
33 pursuant to legislation by the Legislature would not reduce state  
34 obligations set forth in Sections 8, 20, and 21 of Article XVI of  
35 the California Constitution.

36 SEC. 3. This act provides for a tax levy within the meaning  
37 of Article IV of the Constitution and shall go into immediate effect.